

BEFORE THE  
ILLINOIS COMMERCE COMMISSION

ILLINOIS COMMERCE COMMISSION ) DOCKET NO.  
On Its Own Motion ) 02-0721  
-vs- )  
ILLINOIS POWER COMPANY )  
Reconciliation of revenues collected )  
under gas adjustment charges with )  
actual costs prudently incurred. )

Springfield, Illinois  
June 9, 2004

Met, pursuant to notice, at 9:30 A.M.

BEFORE:

MR. JOHN ALBERS, Administrative Law Judge

APPEARANCES:

MS. JANIS E. VonQUALEN  
527 East Capitol Avenue  
Springfield, Illinois 62794

(Appearing on behalf of the Staff of the  
Illinois Commerce Commission)

MR. JOSEPH L. LAKSHMANAN  
500 South 27th Street  
Decatur, Illinois 62521-2200

(Appearing on behalf of Illinois Power  
Company)

SULLIVAN REPORTING COMPANY, by  
Carla J. Boehl, Reporter

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WITNESSES

DIRECT CROSS REDIRECT RECROSS

None.

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EXHIBITS

MARKED

ADMITTED

|   |          |    |
|---|----------|----|
| IP Exhibit 1.0<br>(Attachments 1.1, 1.2, 1.3<br>1.4, 1.5) | e-Docket | 13 |
| IP Exhibit 1.6<br>(Attachment 1.7)                        | e-Docket | 13 |
| IP Exhibit 1.8  | e-Docket | 13 |
| ICC Staff 1.0   | e-Docket | 14 |
| ICC Staff 2.0   | e-Docket | 14 |
| ICC Staff 3.0   | e-Docket | 14 |
| ICC Staff 4.0   | e-Docket | 14 |

PROCEEDINGS

JUDGE ALBERS: By the authority vested in me by the Illinois Commerce Commission, I now call Docket Number 02-0721. This docket was initiated by the Commission on its own motion against Illinois Power Company for the purpose of reconciling revenues collected under the gas adjustment charges with actual costs prudently incurred.

May I have the appearances for the record, please.

MR. LAKSHMANAN: Joseph L. Lakshmanan, 500 South 27th Street, Decatur, Illinois 62521, appearing on behalf of Illinois Power Company.

MS. VON QUALEN: Janis Von Qualen on behalf of the Staff of the Illinois Commerce Commission, 527 East Capitol Avenue, Springfield, Illinois 62701.

JUDGE ALBERS: Thank you. Are there any preliminary matters this morning?

MR. LAKSHMANAN: No, Your Honor.

JUDGE ALBERS: I am not aware of any either.

The purpose of today's hearing is to -- well, originally this was set as a status hearing.

1       However, in view of Staff's direct testimony, it  
2       appears that Staff has no issues or recommends any  
3       adjustments to the company's position in this case.  
4       And, therefore, by agreement of the parties we have  
5       converted this status hearing into the evidentiary  
6       hearing and the purpose of this hearing then is to  
7       admit into the record the previously offered  
8       testimony as well as affidavits for the witnesses,  
9       since again it is my understanding that no one has  
10      any questions for anyone's witnesses.

11           MS. VON QUALEN:   That is correct.

12           MR. LAKSHMANAN:   That is correct.

13           JUDGE ALBERS:   Okay.   Thank you.   With that,  
14      then I'll turn things over to you, Mr. Lakshmanan,  
15      if you would like to offer your exhibits.

16           MR. LAKSHMANAN:   Yes, thank you, Your Honor.  
17      Illinois Power Company would move the admission of  
18      the following exhibits, all of which are on e-Docket  
19      and none of which have any changes on the versions  
20      that are currently out on e-Docket.   The first  
21      series is Illinois Power Exhibits 1.0.   That's  
22      direct testimony of Gary J. Murphy along with

1 accompanying exhibits, IP Exhibits 1.1, 1.2, 1.3,  
2 1.4 and 1.5. In addition, in that series we would  
3 offer Illinois Power Exhibit 1.6 which is a  
4 supplemental direct testimony of Gary J. Murphy and  
5 accompanying exhibits, IP Exhibit 1.7. All of these  
6 are attested to by Mr. Murphy in IP Exhibit 1.8  
7 which is an affidavit of Mr. Murphy.

8 The second series of exhibits --

9 JUDGE ALBERS: Let me make sure I get this all  
10 down right. Was 1.8 on e-Docket?

11 MR. LAKSHMANAN: Yes, Your Honor, it was filed  
12 yesterday on e-Docket.

13 JUDGE ALBERS: That's fine. Just wanted to  
14 make sure I knew.

15 MR. LAKSHMANAN: The next series of exhibits is  
16 IP Exhibit 2.0 Revised, direct testimony of Mark J.  
17 Peters. And then the accompanying affidavit which  
18 was filed yesterday also on e-Docket is Exhibit 2.1  
19 in which Mr. Peters attests to his direct testimony.

20 The third series is IP Exhibit 3.0 which is  
21 the direct testimony of Nancy L. Goodeman and  
22 accompanying Exhibit 3.1 and accompanying IP Revised

1 Exhibit 3.2. All these were attested to by an  
2 affidavit by Ms. Goodeman which is IP Exhibit 3.3,  
3 also filed on e-Docket yesterday.

4 JUDGE ALBERS: Okay.

5 MR. LAKSHMANAN: That concludes the set of  
6 exhibits that Illinois Power would request admission  
7 into the record in this case.

8 JUDGE ALBERS: Is there any objection?

9 MS. VON QUALEN: Staff has no objections.

10 JUDGE ALBERS: Very good. To make sure I have  
11 them all down right, I will repeat them  
12 individually. IP Exhibit 1.0 with Attachments 1.1  
13 through 1.5, IP Exhibit 1.6, Attachment 1.7, and IP  
14 Exhibit 1.8 are all admitted; as well as IP Exhibit  
15 2.0 Revised and IP Exhibit 2.1 are also admitted;  
16 and IP Exhibit 3.0 with the Attachments 3.1 and 3.2  
17 Revised as well as IP Exhibit 3.3 are also admitted.  
18 Okay.

19 MR. LAKSHMANAN: Thank you, Your Honor.

20 (Whereupon IP Exhibit

21 1.0 with Attachments

22 1.1 through 1.5, IP

1 Exhibit 1.6 with  
2 Attachment 1.7, IP  
3 Exhibit 1.8, IP Exhibit  
4 2.0 Revised, IP Exhibit  
5 2.1, IP Exhibit 3.0  
6 with Attachments 3.1,  
7 3.2 Revised, and IP  
8 Exhibit 3.3 were  
9 admitted into  
10 evidence.)

11 JUDGE ALBERS: Anything further from IP?

12 MR. LAKSHMANAN: No, Your Honor.

13 JUDGE ALBERS: All right. Thank you. And  
14 Ms. Von Qualen?

15 MS. VON QUALEN: Yes, Your Honor. Staff moves  
16 for the admission into evidence of ICC Staff Exhibit  
17 1.0 which is the direct testimony of Burma C. Jones  
18 as it was filed on e-Docket on May 25, 2004, and  
19 also ICC Staff Exhibit 3.0 which is the affidavit of  
20 Burma C. Jones. Staff also moves for admission into  
21 evidence of ICC Staff Exhibit 2.0, the direct  
22 testimony of Erick Lounsberry as it was filed on



1 e-Docket on May 25, 2004, and also ICC Staff Exhibit  
2 4.0 which is the affidavit of Eric Lounsberry. The  
3 affidavits were filed electronically yesterday, June  
4 8.

5 JUDGE ALBERS: Okay. Any others?

6 MS. VON QUALEN: No.

7 JUDGE ALBERS: That's it, okay. Any objection  
8 to the admission of these?

9 MR. LAKSHMANAN: No, Your Honor.

10 JUDGE ALBERS: Then Staff Exhibits 1, 2, 3 and  
11 4 are admitted.

12 MS. VON QUALEN: Thank you.

13 (Whereupon ICC Staff  
14 Exhibits 1.0, 2.0, 3.0  
15 and 4.0 were admitted  
16 into evidence.)

17 JUDGE ALBERS: Anything further from Staff?

18 MS. VON QUALEN: Nothing further from Staff.

19 JUDGE ALBERS: Anything at all then to add to  
20 the record?

21 MR. LAKSHMANAN: Your Honor, if it is  
22 acceptable to you, Illinois Power will be willing to

1       prepare a draft proposed order and submit that by  
2       June 25.

3               JUDGE ALBERS:   Thank you.   And with any Staff  
4       comments that might be --

5               MR. LAKSHMANAN:   Yes, Your Honor, we would have  
6       already supplied that to Staff and incorporated  
7       their comments at that time.

8               JUDGE ALBERS:   Very good.   Thank you.

9               All right.   If there is nothing further  
10       then, I will mark the record in this matter heard  
11       and taken.

12                               HEARD AND TAKEN

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